

**WV Pharmaceutical Cost Management Council
Meeting Minutes
September 8, 2005
Governor's Press Conference Room**

Council Members Present: Scott Brown, Chair; Nancy Atkins, Keith Huffman, Felice Joseph, Kevin Outtersen, Stephen Neal, Sam Suppa (representing Phil Shimer), Wayne Spiggle, Leah Summers, Jerry Roueche (representing Martha Walker); Debbie Waller

Council Members Absent: Sandra Vanin

Others Present: Sherri Elsheikh, Senate Health Committee; Raymona Kinneberg, BJC, Inc.; Gregory Hoyer, Lewis, Glasser, Casey & Rollins; Dan Foster, WV Legislature; Alexander Macia, Spilman, Thomas & Battle; Janet Metzner, Dominion Post; Shannon Riley, Bureau for Medical Services; Jim Wallace, TSG Consulting; Ellen Perlman, Express Scripts; Ramon Vickman, Express Scripts; Steve Haid, BMS/Rocke Labs; Cathy McDougale, Express Scripts; Jamal Kadri-Towil, Express Scripts; Thom Stevens, Government Relations Specialists; Jack Canfield, Jack Canfield, LLC; Cindy Snyder, GlaxoSmithKline; Barry Rosenthal, Express Scripts; Pat White, WV Health Right; John Brown, Brown Communication/PhRMA; Jennifer Meinig, AstraZeneca; James Fealy, Law Offices of Philip Reale; Philip Reale, Office of Philip Reale/PhRMA; Angela Vance, AARP; Michael Medel, Pharmaceutical Strategies Group; Jeff Hawes, Pharmaceutical Strategies Group

Scott called the meeting to order and welcomed everyone in attendance. Since there has not been a quorum at the last three meetings, the approval of the March 4, March 25, and July 7 was the first order of business. Scott asked if there were any questions, comments, etc. regarding the minutes. **Stephen Neal made a motion to accept the minutes as written. Felice Joseph seconded the motion and the motion carried unanimously.**

Scott updated the group on the Central Fill Pharmacy. He thanked Dr. Spiggle and the Central Fill Subcommittee on their good work. The Central Fill Pharmacy is a go pending a 5-year business plan that is due to the Governor by December 1, 2005. This is a very high priority for the Governor. The subcommittee with assistance from Scott will be writing the plan. Scott is to visit Ken Trogden in South Carolina next week for his assistance in the preparation of the business plan. Any input from Council members before Scott's trip would be appreciated.

Scott introduced Barry Rosenthal, Senior Director of Planning and Development for Express Scripts, Inc. Barry presented to the group a power point presentation about Aggregated Purchasing of Pharmacy Benefit

Management Services. Mr. Rosenthal spoke on the collective PBM purchasing, organizing the groups involved, types of group members, location of group members, the pros and cons of combining lines, and the functions of integrated services. He highlighted on some of the success (or failure) factors and some of the benefits. A question and answer period followed. Scott expressed his appreciation to Mr. Rosenthal for presented to the group.

Scott reported on the IsaveRx issue. This issue has been brought up before but there needs to be a decision made whether the Council thinks it is a good idea for the Council to join and to make that recommendation to the Governor. The Council needs to determine if this is a good thing for the Council and the State of WV. Discussion ensued. There were good points brought up and bad points. Points included:

- Safer than unregulated drugs.
- Against federal and state law. Laws would have to change.
- Federal law is going to change.
- Liability – where does liability reside?

This issue will be brought back for more review. **Wayne Spiggle made a motion to further study this issue over the next 3 months and to circulate background information on importation, and for Scott to send everyone the state code along with resolutions regarding importation. Nancy Atkins seconded this motion; the motion passed with one opposing vote from Kevin Outterson.**

Scott informed the Council that Laddie Burdette resigned from the Council because of his increased workload. Scott sent the letter of resignation to Scott Cosco, in the Governor's Office. They are looking for a replacement for Mr. Burdette.

Scott introduced Kevin Outterson, Chair of the Marketing Practices Subcommittee. At the July meeting, the subcommittee was to focus on the first three bullet points and John Brown was to provide a position paper from PhRMA on the first three bullet points. All written comments on marketing/advertising were to be sent to Scott before today's meeting. The revised document was sent to everyone by e-mail and people were to respond with corrections, additions, or comments. In the packet of materials distributed at today's meeting is just the body of the report with no appendices. Mr. Outterson reported that the Council shall establish, by legislative rule, the reporting requirements of information by labelers and manufacturers which shall include all national aggregate expenses associated with advertising and direct promotion of prescription drugs through radio, television, magazines, newspapers, direct mail and telephone communications as they pertain to residents of this state.

Recommendations need to be made to the legislature. An emergency rule might be in order because the timeframe is very quick. Keith Huffman stated that sometimes an emergency rule can be filed, but it won't be classified as an emergency, and it will have to go through the regular legislative session. Discussion followed. Some members of the council thought that the gathering of this information was not going to be useful to the legislature and it would be something that was going to be tossed on the shelf and never looked at again. Another issue that was brought up was the need for additional staff and funds to be able to accomplish what the legislature is requiring the Council and the Pharmaceutical Advocate Office to do. Mr. Outtersen stressed that we are authorized to do this by legislation and something has to be reported to the legislature. We are authorized to assist the state regarding cost utilization and the data can be used internally by the Council to assist in making decisions.

Scott thanked Mr. Outtersen and the subcommittee on their good work and for generating a very detailed report.

Philip Reale felt that some of the data that was gathered was not accurate and that more time needed to be spent on the report.

It was decided that in the next two weeks, Mr. Reale would work on the data and e-mail Scott and/or Debbie and they will share with members to get suggestions, comments, etc. The subcommittee will work on a paper that can be presented to the Council and then the Legislature. Scott will distribute this to all members for input. John Brown, in the next two weeks, will continue to work on the position paper of the first three bulleted items in the report.

Scott introduced Jeff Hawes and Michael Medel from the Pharmaceutical Strategies Group. They presented a power point presentation to the group. Pharmaceutical Strategies Group is the largest independent pharmacy advisory firm in the country. They provide pharmacy advisory services to over 200 clients and 6 million lives nationwide. They assist with the RFP/procurement process. They also provide unbiased/objective clinical interpretation of:

- Availability and positioning of medications
- Appropriateness of clinical programs
- Identification/validation of clinical savings and program recommendations

They can work closely with the Cost Management Council and help determine what we need and assist in the RFP process and other areas that their expertise is needed.

A question and answer period followed. It was decided as the Council moves forward, they will be able to determine more if the assistance of the

Pharmaceutical Strategies Group is needed. Scott thanked both Jeff and Michael for their presentation.

The next Council meeting is scheduled for Thursday, October 20, 2005, 11:30 a.m. – 4:00 p.m. in the Governor's Press Conference Room. The Council will also have the opportunity to participate in the National Legislative Association on Prescription Drug Prices (NLARx) fall meeting scheduled on October 21, 2005 in the House Chamber at the State Capitol from 9:30 a.m. – 4:00 p.m.

There being no further business, the meeting adjourned at 12:15 for lunch with the various subcommittee meetings scheduled to meet at 1:00 p.m.